

DRAFT
AMENDMENT TO MASTER AGREEMENT
BETWEEN CITY OF SUNNYVALE AND UNION BANK
FOR BANKING SERVICES

This Amendment to Master Agreement, dated _____, is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY") and UNION BANK OF CALIFORNIA N.A. ("BANK").

WHEREAS, CITY, on July 6, 2000, sent a Request for Proposal (RFP No. F0007-01) ("RFP"), hereby incorporated by reference, to all banks for located within the territorial limits of CITY for both basic and optional banking services for a period of at least three (3) years; and

WHEREAS, in August 2000, CITY received responses for both basic and optional banking services and the proposals were evaluated by the CITY staff; and

WHEREAS, CITY wishes to contract with a bank having experience in the receipt and management of municipal funds; and

WHEREAS, BANK is willing to enter into a contract with CITY to provide professional banking services in accordance with this Agreement; and

WHEREAS, BANK's response is RFP is hereby incorporated by reference; and

WHEREAS, it was recommended that the City Council of CITY award a five-year agreement to BANK to provide banking services to CITY; and

WHEREAS, on January 30, 2001, the City Council of CITY approved such recommendation; and

WHEREAS, it was recommended that the City Council of CITY authorize a one-year extension of the agreement, with certain modifications, for BANK to provide banking services to CITY; and

WHEREAS, on _____, the City Council of CITY approved such recommendation;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AMENDMENT TO MASTER AGREEMENT:

1. Section 1 as set forth in the original agreement is deleted and replaced with the following:
 1. TERM OF AGREEMENT BANK shall serve as CITY's depository and provider of banking services for a period of six (6) years, commencing January 1, 2001, and ending December 31, 2006.
2. Section 5 as set forth in the original agreement is deleted and replaced with the following:

5. MONTHLY ACCOUNT ANALYSIS. The terms of monthly account analysis billing are defined in Exhibit "I" – Bank Compensation Agreement. CITY agrees to review account analysis statements within 30 days of receipt and must notify the BANK within the same 30 days of any billing disputes via fax to the attention of the Government Services unit leader. The BANK will provide written notification of any adjustments within seven business days after receipt of notification from the CITY of any billing errors on the Account Analysis statement.

The Net Earnings Allowance reflected on the account analysis statement may be used by CITY to offset the fees for the services BANK provides. In the event that a monthly Net Earnings Deficit occurs, the deficit will be charged to CITY's deposit account or other account at BANK, unless other mutually agreed upon arrangements have been confirmed in writing between BANK and CITY.

3. The following sentence is added at the end of Paragraph 1 of Section 7. SUPPLIES AND PRINTING CHARGES:

The CITY shall be charged for shipping and applicable California sales tax at actual cost with no additional markup by BANK.

4. The following is added at the end of Paragraph 1 of Section 9. COMPENSATION:

Fees from January 1, 2006, through December 31, 2006, for existing services shall be those stated in Exhibit "L-1" – BANK's Schedule of Fees, dated October 18, 2005 which is attached and incorporated by reference. Fees for existing services shall be firm and not subject to escalation throughout the one-year contract extension period.

5. Section 9. COMPENSATION sub-paragraph (b) as set forth in the original agreement is deleted in its entirety and replaced with the following:

Fees for new services shall be those negotiated between CITY and BANK and shall take effect at the time of implementation of the new service. Fees for new services shall be firm and not subject to escalation throughout the remainder of the contract extension period.

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Agreement Amendment.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

APPROVED AS TO FORM:

UNION BANK OF CALIFORNIA N.A.
("BANK")

City Attorney

By _____

Name and Title

By _____

Name and Title